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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/933,262	08/20/2001	Daniel J. Eckert	1713-0012	5260

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EXAMINER

SNAPP, SANDRA S

ART UNIT PAPER NUMBER

3624

DATE MAILED: 11/22/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/933,262	Applicant(s) ECKERT ET AL. S	
	Examiner Sandra Snapp	Art Unit 3624	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 20 October 2003.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-23 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-23 is/are rejected.
- 7) ☒ Claim(s) 9 is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 20 October 2003 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date <u>10-20-03</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Priority

Acknowledgment is made of applicant's claim for priority to Application Nos. 60/226419, filed on 8-18-22, and 60/298546, filed on 6-14-01.

Oath/Declaration

The present Oath/Declaration is not signed by the inventor Todd O. Perry. An Oath/Declaration signed by Todd O. Perry must be submitted.

Claim Objections

Claim 9 is objected to because of the following informalities: the phrase “a plurality of remote computer” should actually be “a plurality of remote computers.” Appropriate correction is required.

Claim Rejections - 35 USC § 101

Claims 1-8 and 11-23 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Claims 1-8 and 11-23 are directed to non-statutory subject matter because they lack any recitation of technology in the body of the claims, which is required in order to meet the statutory requirements. The Patent Office had taken the position that some form of technology must be claimed in the body of the claim. The Board of Patent Appeals and Interferences has stated that claims lacking any technology are “nothing more than

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[an] abstract idea which is not tied to any technological art and is not a useful art as contemplated by the Constitution.” *Ex parte Bowman*, 61 USPQ2d 1669, 1671 (Bd. Pat. App. & Inter. 2001) (Unpublished). While it is understood that the Bowman case is not precedential, it is cited herein for its content and reasoning. It is understood that a “processor” is claimed in claim 17, however a processor alone, without it being identified with a computer is not enough to satisfy the requirements under 35 U.S.C. 101.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

Claims 1, 5-9 and 14-16 are rejected under 35 U.S.C. 102(b) as being anticipated by the Mottola patent (US 5,809,484).

The Mottola reference discloses a security instrument having a value based on the prospective income of a performer, the value based at least in part on a contingent portion of the prospective income, the prospective income being service based (col. 3, lines 40-57 and col. 13, lines 32-56) (Claim 1);

An initial value, wherein the initial value is based in part by past performance of the performer (col. 4, line 31 through col. 5, line 22 and col. 15, lines 1-23) (Claims 5 and 14);

The value is further based at least in part on a base portion of the prospective income (col. 15, lines 1-23) (Claims 6 and 15); and

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Comprising an initial value, the initial value based upon:

A value of performance incentives available to the performer (col. 14, lines 40-65), and

A likelihood of the performer attaining the performance incentives (col. 4, line 30 through col. 5, line 21) (Claims 7 and 16).

The Mottola reference discloses a method comprising:

Underwriting a security instrument having a value based on the prospective income of a performer, the value based at least in part on a contingent portion of the prospective income, the prospective income being service based (col. 3, lines 40-58 and col. 13, lines 32-56), and

Offering the security for sale (col. 13, lines 32-56) (Claim 8); and

Employing a first computer for receiving bids from a plurality of remote computers, the first computer connected to the remote computers via a network (col. 11, lines 31-58) (Claim 9).

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 2-4 and 11-13 are rejected under 35 U.S.C. 103(a) as being unpatentable over the Mattola patent, and further in view of the Red Herring article, Elevator Pitch section (sited by the Applicant).

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The Mottola patent discloses all the elements of the present invention, as stated above, except for:

The performer is a participant in professional team sports, and

At least some of the contingent portion of the prospective income is team performance based (Claims 2, 3, 4, 11, 12 and 13).

The Red Herring article teaches:

The performer is a participant in professional team sports (Red Herring), and

At least some of the contingent portion of the prospective income is team performance based (Red Herring) (Claims 2, 3, 4, 11, 12 and 13).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified the Mottola patent to include the teachings of the Red Herring article so as to expand the use of the system to other fields of endeavor, such as professional sports.

Claims 10 and 17 are rejected under 35 U.S.C. 103(a) as being unpatentable over the Mottola patent (US 5,809,484).

The Mottola patent teaches all the elements of the presently claimed invention, except for:

Connecting the first computer to the remote computers via the Internet (claim 10).

The Examiner takes Official Notice that it would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified the Mottola patent by connecting the computer to the remote computers via the Internet so as to expand the user accessibility.

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The Mottola patent teaches all the elements of the presently claimed invention, except for:

A first processor for receiving and storing a plurality of bids for the purchase of one or more security instruments, each security instrument having a value based on the prospective income of a performer, the value based at least in part on a contingent portion of the prospective income, the prospective income being service based (Mottola, col. 11, lines 20-58), and

The Examiner takes Official Notice that it would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified the Mottola system to include a plurality of remote processors operable to communicate the plurality of bids to the first processor so as to expand the user accessibility.

Claims 18-23 are rejected under 35 U.S.C. 103(a) as being unpatentable over the Mottola patent as applied to claim 17, and further in view of the Red Herring patent (cited by Applicant).

The Mottola patent teaches all the elements of the present invention, except for:

The performer is a participant in professional team sports, and

At least some of the contingent portion of the prospective income is team performance based (Claims 18, 19, 20).

The Red Herring article teaches:

The performer is a participant in professional team sports (Red Herring, Elevator pitch section), and

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At least some of the contingent portion of the prospective income is team performance based (Red Herring, Elevator Pitch section) (Claims 18, 19, 20).

It would have been obvious to one of ordinary skill in the art at the time the invention was made to have modified the Mottola patent to include the teachings of the Red Herring article so as to expand the use of the system to other fields of endeavor, such as professional sports.

The Mottola patent also discloses:

An initial value, wherein the initial value is based in part by past performance of the performer (Mottola, col. 4, lines 31-52 and col. 15, lines 1-23) (Claim 21);

The value is further based at least in part on a base portion of the prospective income (Mottola, col. 1, lines 1-23) (Claim 22); and

Comprising an initial value, the initial value based upon:

A value of performance incentives available to the performer (col. 14, lines 40-65), and

A likelihood of the performer attaining the performance incentives (col. 4, line 30 through col. 5, line 21) (Claim 23).

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. The Kossovsky, Kincart, Llewelyn, Quackenbush, Birle, Wilkinson, Slyke, Mottola, Ashenmil, Elliott and Selleck patents are all directed to various types of electronic financial systems.

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Any inquiry concerning this communication or earlier communications from the examiner should be directed to Sandra Snapp whose telephone number is 703-305-6940. The examiner can normally be reached on Mon.-Thurs.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on 703-308-1065. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

SS

Sandra Snapp
SANDRA S. SNAPP
PATENT EXAMINER
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